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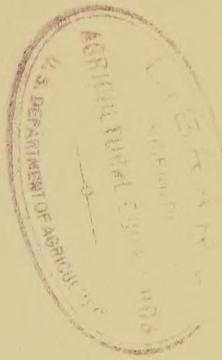
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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
North Central Division
Washington, D. C.

TO: CHAIRMEN OF STATE AGRICULTURAL CONSERVATION COMMITTEES

Subject: Procedure for Administrative Examination of
Annual Budgets, Form ACP-19, and Monthly
Estimates of Expenses, Form ACP-7.



Upon receipt of monthly estimates of expenses on Forms ACP-7 and annual budgets on Forms ACP-19 from County Agricultural Conservation Associations, the State Committee should make an administrative examination of such forms. This examination should be made to insure uniformity between counties, as well as to determine the reasonableness of individual items and of the total estimated expenses contained in such forms. The approval of the annual budget for a county by the State Committee should constitute notification to the county committee of such county of the amount of expenses which the State Committee considers reasonable for such county. The approved monthly estimate of expenses and the annual budget will also serve as a guide to county committees on classes of expenditures for personal services and travel; on purchase of equipment, supplies and services; and on rates to be paid for various services and purchases. After administrative examination of annual budgets and monthly estimates of expenses has been completed such forms should be submitted to the Accounting Section in the State office. The Accounting Section will examine such forms to see that entries on such forms are mathematically correct and that their execution has been otherwise proper.

It is recognized that it may not be practicable to set up a uniform set of requirements to which the monthly estimates of expenses and the annual budgets submitted by all associations must conform. It is, however, necessary that the State Committee maintain relative uniformity in the various items of expense in the monthly estimates of expenses and the total amount of the annual budgets as between similar counties. It is expected that representatives of the State Committee will have been present at the board of directors meeting in each county when the annual budget was adopted, since assistance given to boards of directors when annual budgets were prepared should reduce correspondence and delays in the completion of such budget. It is suggested that where a representative of the State Committee assisted a county association in the preparation of the annual budget that he forward directly to the State Committee his comments and recommendations with respect to such proposed annual budget. The following will serve as a guide for State Committees in the administrative examination of monthly estimates of expenses and annual budgets.

I. Period Covered: The period covered by the annual budget is from July 1, 1936 to the completion of the 1936 Agricultural Conservation Program. July and August expense accounts submitted on Forms 1024 are to be included in the annual budget. The period covered by the monthly estimate of expenses will be the month indicated in the heading of Form ACP-7.

II. Compensation.

- a. Treasurer: In determining the amount of expenses for compensation of the treasurer consideration should be given that it should not be necessary for a treasurer to spend more than two or three days per month since the clerical work in connection with the treasurer's office will be performed by clerical assistants. An exception to this will be during the months when payments to farmers are received.
- b. County Committeemen: In determining the amount of expenses for compensation of county committeemen, consideration should be given to the number of Work Sheets executed in the county and the number of farms included in applications for payment from such county. The amount of expenses for compensation of county committees should not take into account work which had to be done over because it had not been satisfactorily completed in the first instance.
- c. Community Committeemen: In determining the amount of expenses for compensation of community committeemen, such amount should be relatively small. An exception to this will be in cases where it was necessary to secure work sheets after July 1.
- d. Farm Reporters: In determining the amount of expenses for farm reporters to complete the measurement and obtain the data for farms for which an inspection was requested, the State Committee should set up as a guide the number of farms which it is estimated the farm reporter should be able to measure per day. In arriving at this estimate, reports secured from all counties showing the number of farm reports prepared per day per farm reporter should be used. From an analysis of these reports there should be established a standard of accomplishment. For example, it may be determined that in counties having not in excess of fifty percent rough or broken land, the farm reporter should measure and map at least two farms per day. Dependent upon such factors as topography, the number and shape of fields, the kind of crops grown, the number of farms with soil depleting bases for a separate crop, a standard should be established for each district within the State and for each county. If annual budgets or monthly estimates are received providing for estimates materially in excess of the established standard, they should be returned to the county for downward adjustment.
- e. Assistant to Farm Reporter: In determining the amount of expenses for assistant farm reporters in counties where assistant farm reporters are employed, the standard of

accomplishment for measuring and reporting farms should be established on the basis of a team of one reporter and one assistant reporter, rather than on the basis of an individual reporter.

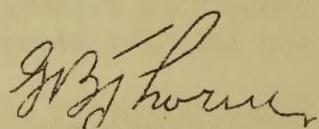
- f. Clerical Assistants: In determining the amount of expenses for clerical assistants, a procedure similar to that used for determining the time required by farm reporters should be used in establishing a standard of accomplishment. A report should be secured from all counties showing the number of farm reports upon which the computations are completed per day by each clerical assistant, the number of forms NCR-11 and NCR-11a to which the data are transferred each day by each clerical assistant and the number of forms NCR-12 and NCR-15 which are prepared each day by each clerical assistant. Using such reports as a basis, a standard of accomplishment should be established for such clerical assistants. The amount of work which should be expected per day by each clerical assistant will necessarily vary with the number, size and shape of fields shown on farm reports and will also vary with the amount and type of equipment available.

III. Necessary Equipment: If inventories of equipment which has been or will be transferred to agricultural conservation associations from commodity control associations are not available in the State Office, such information should be secured by representatives of the State Committees when they visit county offices. The amount and types of equipment hereinafter set forth may be used as a standard in determining the necessary equipment for an average county with approximately 2500 work sheets.

- a. Filing Cabinets: Two four-drawer cabinets of the type used for ordinary filing purposes should be sufficient. In many instances associations may be able to secure the use of filing cases now containing records of commodity control associations by purchasing transfer cases for use in storing old association records.
- b. Adding Machines and Calculating Machines: It is estimated that one calculating machine will be sufficient. It may be advisable in large counties to permit the rental of an additional machine for a short period of time in order to facilitate the completion of work. A close check should be kept of the amount of work necessary in each county in order that determination may be made as to whether or not it may be advisable to purchase medium priced adding or calculating machines.
- c. Typewriters: It is felt advisable to permit the purchase of one typewriter. Rental of typewriters should be resorted to when additional typewriters are needed for a period of only a few months.

- d. Desks and Tables: Wooden tables should be built for short period needs and commercial desks or tables purchased only when absolutely required.
- e. Mileage: The total mileage included for county committeemen, members of the board of directors and county performance supervisors should be compared with the amount of supervision performed by the county committee and county performance supervisor and the number of meetings of the board of directors required in each county.
- f. Miscellaneous: Items relating to miscellaneous office supplies, stationery, bank service charges, postage, printing and publication, and telephone and telegraph charges should be scrutinized in the light of the county's probable needs, taking into consideration the number of farms included in applications for payment and the clerical work necessary to complete the program.

IV. Total Amount of Annual Budget. In analyzing the total amount of the annual budget requested by the county association, the State Committee should make an estimate of the probable total amount of payments which may be made in such county and determine the percentage which the estimated expenses will be of the total anticipated payments. The probable number of farms included in applications for payment as compared with the total amount of the annual budget should also be given careful consideration. Whenever it appears that the annual budget submitted by one county is materially in excess of annual budgets submitted by other counties in which conditions are comparable, such annual budget should not be accepted but should be returned to the county for revision. A revised annual budget will then be prepared by the county committee and submitted to the board of directors for their adoption.



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